

AMENDED IN SENATE APRIL 30, 2009

AMENDED IN SENATE APRIL 22, 2009

AMENDED IN SENATE APRIL 20, 2009

AMENDED IN SENATE APRIL 14, 2009

## SENATE BILL

**No. 460**

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### **Introduced by Senator Wolk**

(Principal coauthor: Assembly Member Yamada)

February 26, 2009

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An act to add Part 2.11 (commencing with Section 10920) to Division 6 of the Water Code, relating to water conservation.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 460, as amended, Wolk. Water management plans.

The Urban Water Management Planning Act requires each urban water supplier to prepare and implement a water management plan for the efficient use of available water supplies. The Agricultural Water Management Planning Act requires, *until 1993 except as otherwise provided*, every agricultural water supplier serving water directly to customers to prepare an informational report based on information from the last 3 irrigation seasons on its water management and conservation practices.

This bill would require urban water suppliers ~~and agricultural water suppliers~~ to include additional information in their ~~respective~~ reports, including for each plan a detailed description and analysis of a long-term plan to reduce water use. *The bill would require agricultural water suppliers to prepare and adopt a specified agricultural water management plan.*

The bill would require that the water suppliers submit their reports to an unspecified entity. *The bill would provide that a water supplier that does not prepare, adopt, and submit its plan in accordance with the bill's requirements is ineligible to receive specified funds.* The bill would create the unspecified entity and require it to develop an open and transparent process for the collection and analysis of the data submitted to it by the water suppliers, create and maintain a statewide database on water use, conservation, and water use efficiency, and provide recommendations for improvements to water suppliers' plans to meet a statewide goal. The bill would also require the unspecified entity to submit an annual report to the Legislature.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. (a) The Legislature finds and declares all of the
- 2 following:
- 3 (1) Water conservation and water use efficiency are central
- 4 elements of the state's strategy to enhance water reliability, restore
- 5 ecosystems, and respond to climate change and a growing
- 6 population.
- 7 (2) Water conservation and water use efficiency must be part
- 8 of a comprehensive solution that includes local resource
- 9 development and infrastructure improvements, including storage
- 10 and conveyance, as part of a statewide system that promotes
- 11 economic and environmental stability.
- 12 (3) Accomplishing water conservation and water use efficiency
- 13 goals will require statewide action by all water users, including
- 14 residential, commercial, industrial, and agricultural users, local
- 15 and regional planning agencies, state and federal agencies,
- 16 chambers of commerce, and business, commercial, and industrial
- 17 professional and trade associations.
- 18 (4) Conservation and water use efficiency programs must be
- 19 consistent with state law and should strengthen and not weaken
- 20 the water rights of California communities.
- 21 (b) Therefore, it is the intent of the Legislature to do all of the
- 22 following:
- 23 (1) Establish a statewide, transparent process to accomplish the
- 24 Governor's goal of a 20 percent per capita reduction in water usage

1 ~~by 2020, which translates into an aggregate statewide goal of~~  
2 ~~saving 1.74 million acre-feet of water annually, and to otherwise~~  
3 ~~encourage conservation and water use efficiency. by 2020.~~

4 (2) Encourage better management practices in urban areas that  
5 reduce per capita water use consistent with the Governor's goal  
6 on a statewide, aggregate basis.

7 (3) Encourage maximum water use efficiency in the commercial,  
8 institutional, industrial, and agricultural sectors to reduce overall  
9 water use while maintaining and improving economic output and  
10 productivity.

11 (4) Acknowledge that conservation, improved water use  
12 efficiency, and development of local resources, such as water reuse,  
13 recycling, desalination, and stormwater capture, all contribute to  
14 better water management and all should be credited against the  
15 goals established by local agencies under this legislation.

16 (5) Acknowledge that incentive-based programs will be more  
17 effective in improving water management than command and  
18 control approaches.

19 (6) Recognize that "one size does not fit all" and seek to allow  
20 local agencies the flexibility to tailor water use reduction efforts  
21 that account for variations in local circumstances, including local  
22 climate conditions, population growth, industrial composition,  
23 characteristics of local watersheds and groundwater basins, and  
24 previous conservation and water use efficiency efforts.

25 (7) Appreciate that success will depend upon creating an  
26 effective, transparent process for the reporting, monitoring, and  
27 analysis of data on water use and water conservation and efficiency  
28 measures and the progress of local agencies in meeting long-term  
29 conservation and water use efficiency goals.

30 (8) Water conservation and water use efficiency should be just  
31 one element of a comprehensive water supply solution for  
32 commercial, institutional, and industrial water users, urban water  
33 users and agricultural suppliers, and water users statewide.

34 SEC. 2. Part 2.11 (commencing with Section 10920) is added  
35 to Division 6 of the Water Code, to read:

1 PART 2.11. THE CALIFORNIA WATER USE EFFICIENCY  
2 AND CONSERVATION ACT

3  
4 CHAPTER 1. URBAN WATER SUPPLIERS

5  
6 Article 1. Definitions

7  
8 10920. Unless the context requires otherwise, the definitions  
9 set forth in this article govern the construction of this chapter.

10 10921. “Best management practices” means water use  
11 efficiency measures that are adopted by the California Urban Water  
12 Conservation Council.

13 10922. “Locally cost effective” means that the present value  
14 of the local benefits of implementing a best management practice  
15 is greater than or equal to the present value of the local cost of  
16 implementing that measure. The procedures for calculating local  
17 cost effectiveness shall be developed by the \_\_\_\_ pursuant to  
18 Section \_\_\_\_.

19 10923. “Water conservation” means any reduction in applied  
20 water use including preventing waste or accomplishing additional  
21 benefits with the same amount of water.

22 10924. “Water use efficiency” means using water more  
23 efficiently to reduce demand for a given level of production.

24 10925. “Urban water supplier” means either of the following:

25 (a) An urban retail water supplier, either publicly or privately  
26 owned, that directly provides municipal water to more than 3,000  
27 end users or that supplies more than 3,000 acre-feet of water  
28 annually.

29 (b) An urban wholesale water supplier, either publicly or  
30 privately owned, that provides more than 3,000 acre-feet of water  
31 annually at wholesale for municipal purposes.

32  
33 Article 2. Reduction of Urban Water Use

34  
35 10926. (a) Every urban water supplier that is required to  
36 prepare and adopt an urban water management plan pursuant to  
37 Section 10620 shall include all of the following in that plan:

38 (1) A detailed description and analysis of a long-term plan to  
39 reduce water use through conservation and water use efficiency  
40 measures, including commitments to achieving quantified water

1 use reduction objectives no later than December 31, 2020. *The*  
2 *plan shall include a definition of “quantified water use reduction*  
3 *objectives.” If the definition of that term would result in less than*  
4 *a 20-percent reduction in per capita water use, the plan shall also*  
5 *include a justification for that per capita use reduction objective.*

6 (2) A full implementation of best management practices that  
7 are locally cost effective and technically feasible, and  
8 implementation of local resource projects.

9 (3) Per capita use reduction objectives for residential water use.

10 (4) Maximum efficiency gains for commercial, industrial, and  
11 institutional use.

12 (b) In addition, the plan shall also do both of the following:

13 (1) Consider the water-energy interface to maximize energy  
14 efficiency gains associated with changing water use.

15 (2) Consider changes in patterns of beneficial uses, both indoors  
16 and outdoors, that maintain quality of life while helping achieve  
17 long-term goals.

18 10927. Every urban water supplier that is required to prepare  
19 and adopt an urban water plan shall submit its plan to \_\_\_\_ for  
20 evaluation and reconciliation. \_\_\_\_ shall evaluate the plans,  
21 determine whether they will collectively accomplish the statewide  
22 goal, and make recommendations for modifying the plans to  
23 increase conservation and water use efficiency. Every urban water  
24 supplier shall provide annual progress reports to \_\_\_\_ that identify,  
25 as appropriate, modifications to the plans to help to accomplish  
26 the statewide goal.

27 ~~10928. Any improvements in water use efficiency achieved~~  
28 ~~by implementation of this part shall be considered to be water~~  
29 ~~conservation subject to the protections of Section 1011.~~

30 ~~10929. Data relating to water use efficiency and reports~~  
31 ~~prepared pursuant to this chapter shall not be admissible as~~  
32 ~~evidence that any person has failed to comply with the provisions~~  
33 ~~of Section 2 of Article X of the California Constitution or Section~~  
34 ~~100 of this code. These data and reports shall not be used as part~~  
35 ~~of any action by the department or the board pursuant to Section~~  
36 ~~275.~~

37 ~~10930. An urban water supplier’s failure to meet any interim~~  
38 ~~milestone toward any water conservation or water efficiency goals~~  
39 ~~established pursuant to this part shall not be admissible as evidence~~  
40 ~~that any person has failed to comply with the provisions of Section~~

1 ~~2 of Article X of the California Constitution or Section 100 of this~~  
2 ~~code. That failure shall not be used as part of any action by the~~  
3 ~~department or the board pursuant to Section 275.~~

4 *10928. Nothing in this article shall be construed to diminish*  
5 *or otherwise limit the protection of water rights provided by Section*  
6 *1011 or any other provision of law.*

7 *10931. An urban water supplier that does not prepare, adopt,*  
8 *and submit its plan to \_\_\_\_ in accordance with this part is ineligible*  
9 *to receive funding pursuant to Division 24 (commencing with*  
10 *Section 78500), or Division 26 (commencing with Section 79000),*  
11 *or receive drought assistance until the plan is submitted pursuant*  
12 *to receive funds made available pursuant to any program*  
13 *administered by the board, the department, or the California*  
14 *Bay-Delta Authority or its successor agency until the plan is*  
15 *submitted pursuant to this chapter.*

## 16 CHAPTER 2. AGRICULTURAL WATER SUPPLIERS

### 17 Article 1. Definitions

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20  
21 *10932. Unless the context requires otherwise, the definitions*  
22 *set forth in this article govern the construction of this chapter.*

23 *10933. “Agricultural water supplier” means a supplier, either*  
24 *publicly or privately owned, supplying more than \_\_\_\_ acre-feet*  
25 *of water annually for agricultural purposes. An agricultural water*  
26 *supplier includes a supplier or contractor for water, regardless of*  
27 *the basis of right, which distributes or sells for ultimate resale to*  
28 *customers.*

29 *10934. “Efficient water management practices” means*  
30 *reasonable and economically justifiable programs to improve the*  
31 *delivery and use of water for agricultural purposes.*

32 *10935. “Locally cost effective” means that the present value*  
33 *of the local benefits of implementing a best management practice*  
34 *is greater than or equal to the present value of the local cost of*  
35 *implementing that measure. The procedures for calculating local*  
36 *cost effectiveness shall be developed by \_\_\_\_ pursuant to Section*  
37 *10943.*

Article 2. Agricultural Water Use

10936. An agricultural water supplier shall prepare and adopt an agricultural water management plan in the manner set forth in Section 10821 on or before December 31, \_\_\_\_\_. An agricultural water supplier that is a member of the Agricultural Water Management Council and submits a water management plan to the council in accordance with the Memorandum of Understanding Regarding Efficient Water Management Practices by Agricultural Water Suppliers in California, dated January 1, 1999, may submit the water management plan identifying water demand management measures currently being implemented, or scheduled for implementation, to satisfy the requirements of this section.

10937. (a) Every agricultural water supplier's agricultural water management plan shall include all of the following:

(1) A detailed description and analysis of a long-term plan to reduce water use through water use efficiency measures.

(2) A full implementation plan for efficient management practices that are locally cost effective, appropriate, and technically feasible, and for local resource projects.

(3) Maximum efficiency gains for agricultural use.

(b) The plan shall also consider the water-energy interface to maximize energy efficiency gains associated with changing water use.

10938. Every agricultural water supplier shall submit its plan to \_\_\_\_ for evaluation and reconciliation. \_\_\_\_ shall evaluate the plans, determine whether they will collectively accomplish the statewide goal, and make recommendations for modifying the plans to increase water use efficiency. Every agricultural water supplier shall provide annual progress reports to \_\_\_\_ that identify, as appropriate, modifications to the plans to help to accomplish the statewide goal.

~~10939. Any improvements in water use efficiency achieved by implementation of this part shall be considered to be water conservation subject to the protections of Section 1011.~~

~~10940. Data relating to water use efficiency and reports prepared pursuant to this chapter shall not be admissible as evidence that any person has failed to comply with the provisions of Section 2 of Article X of the California Constitution or Section 100 of this code. Those data and reports shall not be used as part~~

1 of any action by the department or the board pursuant to Section  
2 275.

3 ~~10941. An agricultural water supplier's failure to meet any~~  
4 ~~interim milestone toward any water conservation or water~~  
5 ~~efficiency goals established pursuant to this part shall not be~~  
6 ~~admissible as evidence that any person has failed to comply with~~  
7 ~~the provisions of Section 2 of Article X of the California~~  
8 ~~Constitution or Section 100 of this code. That failure shall not be~~  
9 ~~used as part of any action by the department or the board pursuant~~  
10 ~~to Section 275.~~

11 *10939. Nothing in this article shall be construed to diminish*  
12 *or otherwise limit the protection of water rights provided by Section*  
13 *1011 or any other provision of law.*

14 10942. An agricultural water supplier that does not prepare,  
15 adopt, and submit its plan to \_\_\_\_ in accordance with this part is  
16 ineligible to receive funding pursuant to Division 24 (commencing  
17 with Section 78500), or Division 26 (commencing with Section  
18 79000), or receive drought assistance until the plan is submitted  
19 *ineligible to receive funds made available pursuant to any program*  
20 *administered by the board, the department, or the California*  
21 *Bay-Delta Authority or its successor agency until the plan is*  
22 *submitted pursuant to this chapter.*

23  
24 CHAPTER 3. REPORTING, MONITORING, AND EVALUATION OF  
25 PLANS  
26

27 10943. There is in the State of California the \_\_\_\_\_. The \_\_\_\_\_  
28 shall do all of the following:

29 (a) Develop an open and transparent process for the collection  
30 and analysis of data required by this part.

31 (b) Develop standardized procedures for determining local cost  
32 effectiveness.

33 (c) Create and maintain a statewide database on water use,  
34 conservation, water use efficiency, and local resource development  
35 throughout California.

36 (d) Receive and evaluate the long-term conservation and water  
37 use efficiency plans submitted under this part.

38 (e) Assess whether the plans collectively will accomplish the  
39 statewide conservation and water use efficiency goal.



- 1 (f) Provide recommendations for improvements to the plans to
- 2 help meet the statewide conservation and water use efficiency
- 3 goal.
- 4 (g) Submit an annual report to the Legislature on or before
- 5 December 31, \_\_\_\_\_, and each year thereafter.

O